

Co-op General Manager Success Profile

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It takes a lot to manage a food co-op. Co-op general managers (GMs) are responsible not only for the retail operations but also for budgeting, financial analysis, marketing, information technology, and human resources—functions that are provided by corporate headquarters to managers of chain stores. Co-op GMs, in addition to the demands of the business, must lead a democratic association of member-owners, working harmoniously with the elected board of directors to fulfill the co-op's Ends or mission.

Increasingly intense and sustained competition in our market is shifting the landscape in which co-ops operate, putting a premium on certain key competencies and skills in management. At the same time, other factors are making the GM job more complex and demanding, including pressure on prices and margin, increasing costs of real estate and development, and calls for a livable wage at a time when slow growth makes it ever more difficult to increase labor costs.

Competencies, skills, experiences, and attributes

Recently, National Co+op Grocers and CDS Consulting Co-op drew on the experience of both organizations to develop a profile for general manager success. The full profile is available in the CDS Consulting Co-op Library (<http://library.cdsconsulting.coop/doc/gm-success-profile/>) or in the member-only section of the NCG website. The present article highlights parts of the full profile.

This profile will be particularly useful for boards hiring new GMs, GMs who want to get better at their jobs, GMs planning to develop their own successors, and individuals who want to develop their skills to become future GMs.

The GM Success Profile consists of:

- **Competencies:** a combination of knowledge, skills, and abilities—when competency is achieved, the person can adeptly apply the combination in different situations;
- **Skills:** tactical abilities to accomplish a task;
- **Key experiences:** past professional experiences;
- **Personal attributes:** qualities that are an inherent part of the person.

The thinking behind the GM Success Profile is that leadership is not innate but can be developed. Personal attributes and experience, while valuable, are not enough in themselves to lead to success as a food co-op GM. If a new GM starts without all the needed skills or competencies, the co-op will need a road map for developing those that are lacking. If existing GMs find their jobs increasingly challenging, they can create a development and support plan to help them achieve the needed competencies.

While all these competencies, skills, experiences, and attributes are important, this article will highlight a few to demonstrate how the Success Profile can be used. The complete profile also includes information on what will be a higher priority for co-ops in specific situations such as startups, expansions, and turnarounds, as well as for co-ops of different sizes.

Core competencies

No one competency or skill or experience is by itself a key to success. And no individual will be strong in all areas. The intent of the GM Success Profile is to paint a complete picture of what co-ops need in their GMs in an increasingly turbulent environment and what GMs need to work on

to respond to the changing market.

We've identified eight competencies we think are most important for a co-op GM. These include: strategic thinking, financial management, business planning, leading teams, change management, influence and persuasion, developing talent, and professional communication. Let's take a closer look at how these competencies can be grouped together and their impact on a GM's ability to fulfill the overall management role in the co-op.

Strategic thinking

Financial management

Business planning

A co-op GM has to be prepared to respond to business concerns such as these: What kind of business strategies should the co-op be pursuing? Are financial systems established to support the co-op's profitability and success? Do we have the right people in the right places? How is co-op leadership going to bring people along on the co-op's vision for the future? The relevant competencies we have identified include strategic thinking, financial management, and business planning.

This is the competency area wherein the GM needs to think and respond to internal and external forces to develop a business plan based on industry trends, market analysis, and the co-op's current and potential capacity. Having an objective and deep understanding of the co-op's strengths and weaknesses within the context of marketplace trends is vitally important. By extrapolating the co-op's position and aligning stakeholders around the plans and goals of the co-op, a GM synthesizes the co-op's vision and turns it into operational plans.

The need for independent food co-op operators to have this kind of strategic leadership is both compelling and concerning. Most chain store managers do not need strategic thinking as part of their success profile because it's not their role to make those kinds of decisions. And we know

that just running a grocery store day-to-day successfully can be challenging enough.

Our food co-op sector has among its GM pool strong leaders and committed people who fulfill well many roles in their jobs, including strategic thinking. Yet we also think it is important to recognize that this is an area of vulnerability for many reasons (sector retirements, lack of succession planning, competitive pressure, etc.). Attracting GM candidates who demonstrate this competency, and supporting their ability to develop this competency in themselves and others, are critical.

Organizational transformation **Building and leading teams** **Change management**

Just being a good strategist is not enough to carry a co-op successfully. You need people to work together. The foundation for team building and managing change is a clear vision and a good plan. The next part is developing approaches to help people realize why the co-op needs to continue to change to achieve its goals. Therefore, the next group of competencies consists of leading teams and managing change.

Often group work involves doing things

leaders have never done before, because no two situations or projects are exactly alike—but the necessary guidance is the same. Team building and change management demand structures and processes to address the needs of people working together and the inevitable changes (and conflicts) that occur in implementation.

Ultimately, this competency area is about how a GM promotes cooperation and collaboration among teams and team members. It requires adaptability—from the GM and from the organization. Successful co-op GMs must continually reinvent themselves and evaluate their own skills and abilities to meet the challenges inherent in leading a dynamic organization. Doing this requires objectivity and self-awareness. This may be an area where getting a periodic assessment will help a GM continue developing skills as well as clarify team and communication priorities that will assist with change management.

Internal and external connections **Influence and persuasion** **Professional communication**

One of the profound truths of the GM job is that they have to “own” the narrative about the co-op and help people become aligned behind the co-op’s mission. As Robert Greenleaf said in his work on servant leadership, “Leadership by persuasion has the virtue of change by convince-ment rather than coercion. Its advantages are obvious.” What works for enlisting cooperation is to listen to other people and build consensus within groups. This points to the competencies of promoting internal and external connections; influence and persuasion; and professional communication.

Doing this work well goes beyond having certain personality traits. It involves the ability to create and communicate compelling reasons for stakeholders to align, by using storytelling, data, and examples, and predicting competing viewpoints. Anticipating the implications (pro and con) of leadership decision-making on all stakeholders and communicating accordingly are at the core of this competency.

The ability to influence and persuade is affected by a GM’s confidence, sincerity, and passion for the co-op. It can inspire connections in others that generate more business activity for the co-op and extend its reach. Some might argue this can’t be taught—you either have it or you don’t. We disagree. The ability to influence and persuade is something that can be developed with the right tools and support.

Boosting capacity **Talent development**

A co-op will have a hard time accomplish- ing its goals if the people involved are not

continually engaged in improvement, advance- ment, and progress. The GM’s responsibility for this falls under the competencies of boosting capacity and developing talent.

Staff and board development is not just a matter of getting people to the right trainings, although that is an excellent start. Talent devel- opment is multifaceted. It’s about identifying the job performances from individuals and from the co-op as a whole that are required to meet the organization’s needs. It’s about having clear expectations, getting the best people to fulfill the roles required, and holding them accountable.

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Talent development also involves identifying opportunities and ensuring access to them for a variety of people and teams in order to make the most of a particular talent pool. A GM needs to provide coaching and encouragement and identify a successor. All of this work revolves around continually diagnosing performance and devel- opment gaps in the organization.

All the ways a co-op undertakes talent devel- opment are directly relevant to its preparation to grow, manage crises, and continually attract new energy and talent. GMs need to be honest about their own gaps in development as well as the skillset of the teams they work with.

Skills, key experiences, and personal attributes

The competencies we have discussed are aided by a specific set of skills such as build- ing stakeholder alignment, visioning, and effec- tive communication/messaging for multiple stakeholders. GMs also need skills in managing people and projects, developing systems, facili- tation, working collaboratively, and building an effective relationship with the co-op’s board of directors.

Lots of different experiences can prepare someone for a food co-op general manager posi- tion. While experience working in a cooperative can seem critical, in our view the most impor- tant experiences to look for are in retail grocery,

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and customer engagement, invigorate staff commitment to co-op outcomes, and positively impact their competitive position in the marketplace. For more information on enrollment, contact Mark Goehring: 802-380-3824 or MarkGoehring@cdsconsulting.coop.

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managing people, leading a team, and a track record of success. A person with the right kinds of skills and management experiences can adapt to and embrace the cooperative business model if they are interested in doing so. We should not limit our pool of potential GM candidates to those who already have co-op experience, but rather should look to expand the circle of cooperators by including those who have skills and experiences useful for the leadership we need.

It's also important to consider the personal characteristics that are innately a part of a person. We think the most important attributes of a successful GM are accountability and courage. A GM must be willing to hold others accountable, as well as willing to be held accountable. And a GM must be willing to make unpopular decisions and to have difficult conversations with stakeholders when needed. (See the complete Success Profile for more information about skills, desired experiences, and personal attributes of successful GMs.)

Support for complex competencies

Nobody disputes the challenges inherent in being a good GM, and no one person can excel in all areas. The reality is that the GM role in food co-ops is getting more complex with every

passing day. The need to prioritize communication and resources requires creative problem solving. It is clear that one person, even with superhuman effort, cannot do it alone. The benefit of the cooperative business model is that it can be designed so the GM doesn't have to.

Getting regular, positive, and constructive feedback from experts, coaches, and/or peers is critical to perpetuating a cycle of good performance from food co-op leaders. That's exactly why general managers, like their boards, need support to be the best at what they do at all stages of their careers.

Food co-ops are in a mature grocery industry cycle. As many of them approach major milestones, we have strong evidence of the positive impact they've had on their communities. Now is the time to embrace and actively encourage, support, and maintain a new generation of management leaders. There is much at stake. We need people who can improve and protect the business interests of our precious community assets into the future.

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